

Telia Company's Nomination Committee 2019–2020

1. Report on the work of the Nomination Committee and motivated statement regarding the composition of the Board of Directors

At the annual general meeting held on April 10, 2019, in Telia Company (the "Company"), it was resolved that the Nomination Committee (the "Committee") shall consist of the following persons: Daniel Kristiansson, chair (Swedish State), Jan Andersson (Swedbank Robur Funds), Anders Oscarsson (AMF and AMF Funds) and Javiera Ragnartz (SEB Funds) as well as the chair of the Board of Directors.

No other shareholder has, within the scope of the instructions for the Nomination Committee, made a request to take part in the work of the Committee. Within its activities, the Committee has complied with the Swedish Corporate Governance Code and with the instructions for the Nomination Committee approved by the annual general meeting.

The Committee has since the extraordinary general meeting 2019 held three (3) meetings (in total five (5) meetings since the annual general meeting 2019) and several informal sessions and discussions between the meetings. The Committee has performed interviews and received information from the chairs of the Board of Directors, other directors and employee representatives and the CEO on the internal work of the Board of Directors, the Company's position, strategic direction and other relevant circumstances and has received an internally executed written evaluation of the Board of Directors. Based on this information, the Committee has assessed the functioning of the Board of Directors and the competences needed in the Board of Directors as a whole. The Committee has concluded that the competences currently needed are experience from:

- The telecommunications industry and industries closely related to it
- Digitalization
- Relevant markets
- Consumer-oriented operations and markets
- Sustainability work
- Board work in listed companies
- Media
- Executive leadership
- Transformation and change processes
- Finance

On the basis of the competence needs identified, the Committee has evaluated the competences of the remaining directors, the aggregate composition of the Board of Directors and thereafter evaluated new candidates for the Board of Directors. Taking into account the competences and experiences needed in the future, diversity, including gender as well as professional background on the Board of Directors and the composition of the Board of Directors, the Committee has decided to nominate Ingrid Bonde and Jeanette Jäger as new directors and to nominate Rickard Gustafson, Lars-Johan Jarnheimer, Nina Linander, Jimmy Maymann, Anna Settman, Olaf Swantee and Martin Tivéus for re-election at the annual general meeting. Lars-Johan Jarnheimer is nominated for re-election as chair and Ingrid Bonde as vice-chair of the board.

In its work, the Committee applies rule 4.1 of the Swedish Corporate Code as its diversity policy. The Committee has considered the importance of a well-functioning composition of the Board of Directors with diversity and breadth of qualifications, experience and background. The Committee has specifically discussed gender diversity as part of its efforts to strive for gender balance in the Board of Directors and to compose the most competent Board of Directors. The proposed Board of Directors consists of four (4) women and five (5) men.

The Committee proposes that the remuneration for the chair of the Board is increased by 3.6%, the remuneration for the vice-chair of the Board by 3.5% and the remuneration for the ordinary directors by 3.3%. The proposal reflects the Committee's ambition that the level of the remuneration shall be in line with remunerations in comparable companies.

The Committee proposes, in accordance with the recommendation from the Company's Audit and Responsible Business Committee, that the audit company Deloitte is elected as auditor for the period until the end of the annual general meeting 2021.

2. The Committee presents the following proposals to Telia Company's annual general meeting 2020

2.1 Number of directors to be elected at the annual general meeting

The Committee's proposal for the number of directors until the end of the annual general meeting 2021 is nine (9) directors.

2.2 Directors

The Committee proposes re-election of:

Rickard Gustafson, Lars-Johan Jarnheimer, Nina Linander, Jimmy Maymann, Anna Setzman, Olaf Swantee and Martin Tivéus.

The Committee proposes election of:

Ingrid Bonde and Jeanette Jäger.

Ingrid Bonde was born in 1959. She is chair of the Board of Alecta, Apoteket AB and Hoist Finance and member of the Board of Loomis AB and Securitas AB. She is a member of the Board of the Swedish Corporate Governance Board and chair of the Swedish Climate Policy Council. She has previously held positions as CFO and deputy CEO of Vattenfall, President and CEO of AMF, Director General at Finansinspektionen, Deputy Director General at the Swedish National Debt Office and CFO at SAS. She holds a degree in Business and Economics from the Stockholm School of Economics.

Jeanette Jäger was born in 1969. She is CEO of Bankgirot and member of the Board of ICA Gruppen AB. She has previously held several management positions at Tieto and worked as Product and Marketing Director at TDC. She has studied business administration at Stockholm University.

It is the opinion of the Committee that all nominated directors are independent in relation to the Company, the executive management and the major shareholders.

2.3 Chair of the Board of Directors

The Committee proposes re-election of Lars-Johan Jarnheimer as chair of the Board of Directors.

2.4 Vice-chair of the Board of Directors

The Committee proposes election of Ingrid Bonde as vice-chair of the Board of Directors.

2.5 Chair of the annual general meeting

The Committee proposes that Wilhelm Lünig, Attorney-at-Law, be elected as chair of the annual general meeting.

2.6 Remuneration payable to the directors

The Committee's proposal for remuneration payable to the directors until the end of the next annual general meeting:

- Chair of the Board of Directors: SEK 1,890,000 (2019: SEK 1,825,000)
- Vice-chair of the Board of Directors: SEK 890,000 (2019: SEK 860,000)
- Other directors elected at the annual general meeting: SEK 630,000 (2019: SEK 610,000)
- Chair of the Board of Directors' Audit and Responsible Business Committee: SEK 285,000 (2019: SEK 275,000)
- Other members of the Audit and Responsible Business Committee: SEK 165,000 (2019: SEK 150,000)
- Chair of the Board of Directors' Remuneration Committee: SEK 75,000 (2019: SEK 70,000)
- Other members of the Remuneration Committee: SEK 55,000 (2019: SEK 50,000)

2.7 Auditors

In accordance with the Audit and Responsible Business Committee's recommendation, the Committee proposes that there will be one audit company as auditor for the period until the end of the annual general meeting 2021 and that the audit company Deloitte be elected as auditor.

The Committee proposes that remuneration to the auditor will be paid as per invoice.

2.8 The Committee and instruction for the Nomination Committee

The Committee has reviewed the latest available information on the owners of the Company and has received proposals for members from the owners with the largest shareholdings in terms of voting rights. The Committee's proposal for members of the Committee until the annual general meeting 2021 is as follows: Daniel Kristiansson, chair (Swedish State), Jan Andersson (Swedbank Robur Funds), Patricia Hedelius (AMF Insurance and AMF Funds) and Javiera Ragnartz (SEB Funds).

The Committee has also reviewed the instruction for the Nomination Committee and has suggested some changes, including that the chair of the Board no longer shall be an ordinary member of the Committee, as well as some other minor changes to the instruction.

On behalf of Telia Company's Nomination Committee

Daniel Kristiansson
Chair